

[12 December, 2006]

RAJYA SABHA

Withdrawal of guarantee cover on LIC policies

†*294. MISS ANUSUIYA UIKEY:
SHRI RUDRA NARAYAN PANY:

Will the Minister of FINANCE be pleased to state:

(a) whether Government are withdrawing its guarantee cover on policies of Life Insurance Corporation of India;

(b) if not, whether Government are contemplating on withdrawing its guarantee cover on new policies;

(c) if so, whether transaction of LIC would not get affected in view of decrease in number of policy holders; and

(d) if so, the details of steps to be taken in this regard?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) and (b)
No, Sir.

(c) and (d) Do not arise.

National competition policy

*295. SHRI KALRAJ MISHRA:
SHRI SANTOSH BAGRODIA:

Will the Minister of COMPANY AFFAIRS be pleased to state:

(a) whether Government are considering 'promoting competition' a serious policy issue as envisaged in the NCMP and other statements made from time to time by Government; and

(b) what policy initiatives Government have taken to ensure competition in the market place?

THE MINISTER OF COMPANY AFFAIRS (SHRI PREM CHAND GUPTA): (a) Yes, Sir.

(b) Government has taken several measures to address competition issues in the market place, including:—

(i) Legislation that recognizes the imperative of regulating competition, in the form of the Competition Act, 2002 was enacted following recommendations of the High Level Committee on

†Original notice of the question was received in Hindi.

Competition Policy and Law set up under the Chairmanship of Shri S.V.S. Raghavan.

- (ii) An institutional Structure to regulate competition was set up in the form of Competition Commission of India (CCI). However, certain provisions of the Act were challenged before the Supreme Court in 2003 as a result of which CCI could not be made fully functional. The Apex Court has since delivered its Judgement in the matter. Keeping in view the judgement of the Apex court a Bill, the Competition (Amendment) Bill, 2006, suggesting amendments to the Competition Act, 2002 was introduced in Lok Sabha on 9th March, 2006. The Bill has been referred to the Standing Committee on Finance. After the Amendment Bill is passed by the Parliament, the full functioning of the Commission would be facilitated.
- (iii) With a view to promoting competition in the market place, activities such as competition advocacy, creating awareness about competition issues and capacity building of stakeholders have also been initiated.

Insurance cover to people over 55 years

*296. SHRI B.K. HARIPRASAD: Will the Minister of FINANCE be pleased to state:

(a) whether the Insurance Regulatory and Development Authority plans to make it not mandatory for insurers to service people over 55 years;

(b) whether general insurance companies have already been going slow or even denying health covers for people over 55 years by disincentivising agents who sell the policies or simply rejecting such requests;

(c) whether the premium costs for 55 years and above is already 60 percent higher than what a 30 year old has to pay; and

(d) if so, whether the senior citizens will be totally deprived of healthcare cover?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) No, Sir. Insurers do provide medical cover to people over 55 years of age subject to the exclusion of pre-existing diseases and conditions, and on payment of required premium.